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March 23, 2017

Representative Lively and Committee Members:

I am a farmer and family business owner in Polk County, Oregon. My family owns and operates about 2,500 acres west of Salem growing 10 different crops and providing seed cleaning and warehouse services to five other family owned farms and ten Oregon seed companies. We have approximately ten year-round employees including family and up to 30 or so during peak harvest, including the 5<sup>th</sup> generation family farmer, my son. I am here today to ask you to oppose HB3087.

First, I want to say that I care about my employees; we have one employee that will be celebrating 40 years with us this summer and many employees that are all a part of the same family. We often laugh that they outnumber my family members during certain times of the year. However, they nor my family business can afford to pay for this new workforce tax. This bill creates a tax on employers and workers used to pay for a state government managed family leave insurance program.

This bill is simply another mandated "benefit". The tools we used to have to reward our employees and encourage long term relationships; vacation time, sick time, longevity pay, insurance, etc. have needed to be altered in order to afford the changes required for everyone. Vacation and sick time for long term employees was eliminated and replaced with mandatory sick time for all, insurance for year-round and long term employees was eliminated due to the federal all or nothing mandate, and longevity pay was compressed to account for the jump and upcoming jumps in minimum wage requirements.

HB 3087 would require my businesses to provide three months of paid leave. We already struggle with workforce availability issues during harvest. Losing an employee for a day on mandatory paid sick time can be challenging; losing any employee for up to 12 weeks would have a major impact on my business, as well as the other farmers and Oregon business that I serve.

Oregon's recent Mandatory Paid Sick Time has already caused an increase in our labor costs and reporting paperwork. HB 3087, while well-intentioned, would add yet another layer of cost burdens and reporting for my family business. We don't have an HR or payroll department. Our HR / payroll person is also the inventory manager, shipping and receiving clerk, safety coordinator, contract negotiator, accounts payable and receivable department, and yes, our family farm lobbyist.

Again, I want to say, I value and care about my employees, but profit margins in agriculture are slim and the continued buildup of state requirements and regulations, wage increases, mandatory paid sick time, etc. are eventually going to break the backs of agriculture and family farms in this state. I am just doing my best to hang on for the next generation of farmers so they can hang on for the next generation of farm workers.

Please vote no on HB3087.

Anna Scharf  
Scharf Farms Inc.  
Perrydale, OR.